

supremacy of credit which England possesses (as exhibited in the variety and volume of bills drawn upon this country) is so stably established and unique that masses of bills of exchange, unsupported by shipped goods to England, are drawn upon London. The *sterling* bill on London has become, indeed, the principal currency of trading between the different countries. A mercantile firm in China, *e. g.*, when sending tea to New York draws a bill in payment—not upon the buyer in America or upon an American bank, but—upon an "accepting" British house or bank with which the United States' importer has concluded an arrangement by means of the payment of a commission for the use of an established name. The bill finds its way to London ; is there accepted, and is sold through a bill-broker to some London bank as an investment. Thus London stands as the financial centre to which the entire world gravitates in the interchange of commodities between one foreign country and another outside our shores. If then a crisis, similar to that of 1914, close this class of business, the supply of such bills on London ceases with wide ensuing difficulties to foreign merchants who seek, and seek in vain, means of remittance to England with which to meet such bills on maturity. This trouble is reflected in the concurrent anxiety of the British houses which have accepted them. Bills of exchange, through payment of a commission to a British accepting firm, are also drawn upon London for the financial convenience assigned where no transmission of goods occurs at all between countries. A bank abroad, *e. g.*, may arrange a credit, as it is called (open an account with probably the deposit of securities), with a London "accepting" house, and having sold the bill which, accordingly, it has drawn upon that house, may employ the proceeds in advances to its local customers for the prosecution of manufacturing or commercial purposes. [It might here be explained that the latter description of bills— which are drawn upon London without the actual shipment of commodities from place to place, but simply against deposited securities or

the stable credit of the drawer or the name of a guarantor of the drawer—are usually termed " Finance Bills," and if prudently supervised as to extent